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INTERNATIONAL NARCOTIC CONTROL PROGRAMS AND POLICIES

HEARING

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS UNITED STATES SENATE

NINETY-NINTH CONGRESS

SECOND SESSION

SPECIAL HEARING

AGENCY FOR INTERNATIONAL DEVELOPMENT
DEPARTMENT OF STATE

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INTERNATIONAL NARCOTIC CONTROL PROGRAMS AND POLICIES

THURSDAY, AUGUST 14, 1986

U.S. SENATE,
SUBCOMMITTEE ON FOREIGN OPERATIONS,
COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:12 a.m. in room SD–124, Dirksen Senate Office Building, Hon. Robert W. Kasten, Jr. (chairman) presiding.

Present: Senators Kasten, D'Amato, and Specter.

DEPARTMENT OF STATE

AGENCY FOR INTERNATIONAL DEVELOPMENT

STATEMENT OF HON. JOHN C. WHITEHEAD, DEPUTY SECRETARY OF STATE

ACCOMPANIED BY:

PETER McPHERSON, ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT

ANN WROBLESKI, ASSISTANT SECRETARY DESIGNATE FOR INTERNATIONAL NARCOTICS MATTERS, DEPARTMENT OF STATE

FRANK McNEIL, DEPUTY ASSISTANT SECRETARY, BUREAU OF INTELLIGENCE AND RESEARCH, DEPARTMENT OF STATE

OPENING STATEMENT OF SENATOR KASTEN

Senator KASTEN. The subcommittee will come to order. This morning we have called a special hearing in order to address a very serious international problem that is taking its toll throughout the United States: illicit drug trafficking. This elusive enemy is taking untold numbers of American lives and ripping at the threads of families in our society at large.

Americans have become increasingly aware of the devastating effects of drug abuse in our country. While we have been taking steps to curtail the drug flow, the problem seems to get worse. In fact, it has developed into one of the most pressing domestic problems facing our Nation today.

STATISTICS ON ILLEGAL DRUG TRAFFICKING

Just consider some of these statistics. The Government estimates that there are now 35 million cocaine users in the United States; there are 18 million users of marijuana. In 1984, the most recent year for which statistics are available, 55 to 76 metric tons of cocaine were consumed in this country, in addition to 6 metric tons of heroin; 7,000 to 9,000 metric tons of marijuana, and 34 billion dosage units of other dangerous drugs.

"CRACK" EPIDEMIC

A recent study disclosed that one-third of college graduates have tried cocaine by the time they graduate. Then, and more importantly, consider the consequences. In the last 5 years, the number of drug-related deaths in hospital emergency rooms has tripled. The number of cocaine-related episodes in emergency rooms has been reported on the rise. As the "crack" epidemic spreads from city-to-city, increasing crime statistics follow.

The President's Commission on Organized Crime estimates that $100 billion per year is spent in illegal drug trafficking. And then consider these are the effects of drug abuse that we can quantify. They don't begin to tell the story of personal devastation, broken families and ruined lives caused by drug abuse.

DRUG-RELATED DEATHS OF SPORTS FIGURES

Mounting statistics on drug usage have concerned Americans for some time, but the current crack epidemic and the drug-related deaths of sports superstars Len Bias, Don Rogers and others have literally jolted our Nation and have jolted our political system, as well.

We are now seeing a number of different efforts being made at a number of different levels in both the House and the Senate, Republicans and Democrats, coming together because this jolt that has, if you will, hit the Nation is now jolting the Senate and the House of Representatives.

Most people realize the dangers drugs pose to society, danger to our health, to our economy, danger to our social structure and our institutions, and everyone wants to do something about them.

ANTIDRUG EFFORTS ON DOMESTIC FRONT

On the domestic front, it is clear that drug abuse is now getting a new get-tough attitude throughout. Law enforcement officials are coming forward with efforts to eradicate drug trafficking, and increasingly, perhaps even more importantly, we have seen the President and the Congress join recently in calling for significant actions.

This subcommittee has jurisdiction over nearly all of the U.S. foreign assistance programs, and of course, specifically, we have jurisdiction over the international narcotics control program, which we want to discuss today.

U.S. ACTION TOWARD FOREIGN COUNTRIES

I believe some of the questions that we will want to address ourselves to include whether or not mechanisms that are in legislation which were intended to pressure countries which receive foreign aid to cooperate more fully on this problem are, in fact, being utilized; whether or not the Department of State has placed this question on the top of its priority list in its bilateral relations with individual countries, especially those countries who are the source of these drugs.

FEDERAL AGENCIES INVOLVED IN DRUG WAR

There are, of course, many questions beyond the jurisdiction of our subcommittee, and it seems to me that perhaps the primary question in this regard with respect to the Federal response to the problem is as follows: Why does the Federal Government approach the problem using separate programs and separate agencies without virtually any coordination? I don't know that most people realize this, but the following agencies of the Federal Government have something to do with this problem, all of whom seem to operate, in a sense, independently with one another.

The agencies are as follows: The Customs Service; the Coast Guard; the FBI; the Justice Department; the Drug Enforcement Agency; the International Narcotics Control Program in the State Department; the Agency for International Development; the Bureau of Alcohol, Tobacco and Firearms in the Department of the Treasury; the Department of Defense, at least one or two special commissions, one of which is headed by the Vice President.

INTRODUCTION OF WITNESSES

Our witness this morning is the Honorable John Whitehead, Deputy Secretary of State, who is accompanied by Peter McPherson, the Administrator for the Agency for International Development, and Ann Wrobleski, the Assistant Secretary of State for International Narcotic Matters, and Frances McNeil, Deputy Assistant Secretary of State for the Bureau of Intelligence and Research.

Before proceeding, I would like to say that we are expecting Senator Inouye and also possibly Senator Specter and Senator D'Amato, who may come here and may wish to make opening statements.

But at this time, Mr. Secretary, we are pleased to go forward with your testimony.

ADMINISTRATION POLICIES

Mr. WHITEHEAD. Thank you very much, Mr. Chairman. I welcome the opportunity to discuss the administration's international narcotics control programs and policies. As you have said, I am accompanied today by Mr. Peter McPherson, the AID Administrator, on my left; by Miss Ann Wrobleski, Assistant Secretary Designate for International Narcotics Matters, on my right; and by Mr. Frank McNeil, Deputy Assistant Secretary of the Bureau of Intelligence and Research, on my far left.

REPORT ON CURTAILING ILLEGAL DRUG PRODUCTION

We have a fairly detailed report which, with your permission, I would like to include for the record. It was prepared in response to the interests of the Committee expressed during the course of a number of recent hearings.

[The report follows:]

Report on
Status of Efforts to Control Narcotics Production

The Link Between Assistance and Narcotics Control

Of the 18 countries that are the primary sources of illicit narcotics entering the United States, fifteen receive some form of U.S. economic, military or narcotics control assistance. Fourteen of the fifteen conducted eradication programs in 1985; the other, Morocco, relies on interdiction to control hashish production. The remaining three—Iran, Afghanistan and Laos—are politically inaccessible to us.

Security assistance levels are significant in 11 of the 14 cases. However, narcotics assistance constituted all of the assiatance ($700,000) to Brazil and 98 percent of the $10.3 million given to Mexico, while Venezuela's total assistance was $100,000 in military training funds.

Beyond these source countries, there are other nations which are important transit points for illicit narcotics shipments to the United States, such as India, Malaysia, the Bahamas, Lebanon and Turkey. Of these, all but the Bahamas receive some economic or military assistance.

There are both direct and indirect links between U.S. assistance and narcotics control.

The countries in which narcotics control and development assistance objectives have been most closely linked are Peru, Bolivia and Pakistan. In each country, AID and INM have agreed on target areas, and development assistance is conditioned on achieving specific narcotics control objectives. For example, much of the development assistance intended for the Chapare region of Bolivia, the primary growing region for coca destined to become cocaine, has not been spent since 1983 because its release is contingent upon Bolivia complying with conditions of its 1983 agreement with the United States.

There are various types of indirect links between control and development assistance, such as the poppy clauses used in Pakistan and Thailand. These clauses commit a government to keeping specific development areas free of narcotics. especially areas which have not been traditional narcotics growing areas. In the one instance when new opium poppy was discovered in an area of Pakistan which was under such an agreement, the government destroyed the crop.

AID and INM emphasize development assistance, rather than crop substitution, to control narcotics. That change in policy reflects the discovery that, under substitution programs, farmers grew new crops but didn't abandon opium poppy.

Despite the disappointment in the spring of 1986 opium crop, which expanded largely in response to greatly increased demand and higher prices within the region, it still appears that the model developed by INM in pakistan works there and will work elsewhere. Specific kinds of development assistance in selected areas are conditioned on assurances—backed up by demonstrable enforcement—that the areas will be rid of illicit narcotics crops. For example, Thailand has a program in which development assistance is conditioned upon entire villages agreeing to keep their farming areas free of poppy. Since 1984, that program has steadily progressed—boosted in 1985 and 1986 by the Thai Army's aggressive new eradication program.

So far, assistance that is directly or indirectly linked to narcotics control through one or more types of agreements have been discussed. Other types of assistance are not tied to control, such as most military assistance, and economic assistance to non-growing areas. However, the government of every source and transit nation is fully aware of the conditions imposed in Public Law 98-164. Without exception, thses governments know they could lose all U.S. assistance if they fail to take adequate steps to cooperate with the U.S.G. on narcotics control. This message was solidly reinforced by President Reagan last week.

The Narcotics Problem: Review of Progress

The highest U.S.G. priority is reducing production. In 1981, only two countries were eradicating illicit narcotic crops. In 1985, there were eradication programs in 14 countries. We are moving closer to our objective of having effective eradication campaigns operating simultaneously in all key growing sectors. The 1987 INM budget includes a substantial increase in funds for eradication. Increased funding for enforcement is also projected where such activities support crop reduction or reduce the supply of illicit narcotics or precursor chemicals.

Many 1985 objectives were not only met, but exceeded. Even more will be done this year and next. The gains are real, and the prospects for continued advancement in 1986 and 1987 are quite good. But the situation remains severe. Drug abuse has spread to many drug producing and trafficking countries, keeping production at high levels, and narcotics trafficking organizations in some countries are so powerful that they pose a security threat to the ligitimate government. Narcotics-related violence is on the increase. However, significant change has occurred and many of our hopes ride on that change. Other nations now realize that narcotics trafficking is a clear and present uni-

versal danger, and that they too stand in harm's way. With that realization, we are finally beginning to work together as an international community progressing toward common goals.

The 1986-1987 Agenda

The administration has requested $65.4 million for the international narcotics program for FY 1987, a level that is essential to support the needed expansion of eradication and enforcement programs. The Department urges the committee to provide the full amount requested.

The precedent-setting Colombian program has capped efforts in Latin America and the Caribbean to destroy marijuana crops, and it is estimated that marijuana production totals for 1986 will continue the decline of recent years. Aerial surveys confirm that the 1985 crop in the traditional northern growing areas of Colombia was 85 percent smaller than the 1983 crop. In 1986, the eradication effort is being expended into other areas of Colombia to counter traffickers' efforts to develop new sources of supply.

Several countries are working hard to contain the problem. Ecuador, which collaborated with Colombia on a joint coca eradication effort along their common border, is intensifying both its eradication and interdiction efforts for 1986. Brazil, with U.S. assistance, initiated operations to destroy both coca and marijuana, as well as important seizure campaigns, while also expanding its efforts to interdict shipments of precursor chemicals used in cacaine refining.

Like Colombia, Panama and Belize conducted aerial eradication programs, using herbicides, in 1985 and 1986. Following the spraying this spring, Panamanian production of marijuana dropped sharply enough that authorities think aerial spraying is no longer needed. Jamaica initiated a long-needed manual eradication campain to destroy both spring and fall marijuana crops in 1985, resulting in gains that have been confirmed by aerial surveys. Brazil, Costa Rica, Guatemala and other governments have also destroyed marijuana plantations.

The marginal gains of the manual eradication campaigns against the coca bush could be a thing of the past. In 1985, Colombia succeeded in identifying chemicals which appear to meet the criteria of being environmentally safe while effectively destroying the hardy coca bush. Expanded testing is proceeding with both backpack and aerial applications. It should lead to a method that affords large-scale elimination of illicit coca cultivation. If it succeeds in Colombia, it could work in other coca cultivation areas, too.

Colombia remains the major refining source for cocaine, while Bolivia and Peru remain the major sources of

coca leaf. Cocaine refining sites are shifting somewhat because of Colombia's campaign against cocaine labs and improved ways of controlling the flow of refining chemicals.

The bottom line on cocaine is that the supply of coca leaf must be reduced. New leaders in Bolivia and Peru began their administrations in 1985 by declaring their intentions of attacking the drug production problem.. Perhaps the most dramatic demonstration of the new Bolivian intent is the ongiong campaign to suppress cocaine refining and trafficking. As Ambassador Rowell told Congress last week, these have come to a halt in the Beni area. Moreover, thanks to this campaign called "Operation Blast Furnace," the price of leaf has fallen to an all-time low, and the Embassy reports that more farmers are requesting assistance in cultivating alternative crops. This may be the first trickle in what could be a flood-like movement away from the economic dependence of farmers and others on the coca trade—a change that is essential if eradication is to succeed. Traffickers have learned they can no longer count on Bolivia as a safe haven. Moreover, the raids are achieving the primary goal of stopping the spread of cocaine refining.

Bolivia must complete the planning for both the voluntary and involuntary phases of its eradication campaign, and bring a substantial portion of its illicit coca acreage under control, enforced by eradication where necessary, enhanced by alternative development opportunities where appropriate. The government reconizes that continued assistance is dependent in part on achieving the eradication targets in the new agreement now being negotiated with the United States.

The killings and lawlessness in Peru's Upper Huallaga Valley continue, proving again that narcotics control and the battle against terrorism must both share a high priority with the government of Peru. Economic and military assistance to Peru in 1987 are dependent in part on the development and implementation of a comprehensive strategy for coca control.

The strategic task in 1986 and 1987 is to extend the coca eradication campaign into additional growing areas of the Upper Huallaga Valley. Coca eradication in the Valley doubled in 1985, but the new areas are quite inaccessible and the pace of manual eradication may be difficult to sustain.

Increased production of heroin and marijuana in Mexico, which were on a downward trend for several years thanks to effective aerial eradication, were key disappointments in 1985 when other countries, despite great burdens, met or even exceeded our expectations. In meetings this week involving Presidents Reagan and de la Madrid, Secretary of State Shultz and Foreign Secretary Sepulveda, and Attorneys General Meese and Garcia, the Uni-

ted States and Mexico have reiterated their unrestricted cooperation and assistance in rejuvenating a control program. The United States is emphasizing the high priority it attaches to reducing the flow of heroin and marijuana from Mexico, and the high priority it attaches to effective action against those traffickers responsible for the death of DEA agent Camarena.

In September, the United States and Mexico will collaborate in an intensive spraying program of opium poppy in the infamous tri-State area. Mexico has agreed to let the U.S.G. bring in six turbo Thrush aircraft, and combine them with three of their high spraying capacity Bell 212 helicopters, in an effort to eliminate 70 percent or more of the Fall poppy crop before it is harvested. The U.S.G. has assisted the Mexicans in improving this program in 1986, including refinements in the spraying process. Together with the verification program, in which DEA agents ride with Mexican officials to confirm fields destroyed, these improvements bode well for restoring the effectiveness of this once heralded program. However, there are other problems: the level of effectiveness in seizures, arrests and prosecutions has never been as good as in the education program. The U.S.G. seeks a strong across-the-board effort at improving enforcement.

In 1986, INM has purchased additional aircraft and are launching the special Latin American regional enforcement program for which the Appropriations Committee provided $5 million. The regional air wing, based in Colombia, will upgrade strike force capability throughout the Andean coca growing region. Future Blast Furnace-type operations may be conducted through use of this regional air wing, funded by INM, or with the assistance of DEA aircraft, or further use of U.S. military aircraft, or a combination thereof. The U.S.G. is not limited to the military option.

This air wing is but one aspect of the trend toward regional approaches to narcotics control. The cross-border operations involving Colombia with Peru, Ecuador and now Bolivia find their counterpart at the policy level in the expressions of solidarity at the OAS conference this year.

The U.S.G. is also helping to curb the overseas demand, which keeps production at high levels. AID, USIA and INM have worked successfully on public awareness and prevention campaigns.

In Southeast Asia, Burma now has the opportunity, with production down in 1985 and a major eradication program having been successfully undertaken in the first quarter of 1986, to reduce the world's largest production of illicit opium. In Thailand, the new eradication program is being expanded. These governments must enhance their efforts to seize control of the border from traffickers, to destroy heroin laboratories, and to interdict shipments of both precursor chemicals and finished opium products.

It is estimated that opium production in Pakistan this spring rose to a new range of 100-150 metric tons—more than double what it was one year ago. This expansion was driven largely by higher prices, resulting from increased regional opium and heroin demand, and by a reduction in the Pakistani government's enforcement program in the key Gadoon area coupled with an expansion of opium cultivation into remote tribal areas such as Bajaur and Mohmand.

The United States and Pakistan agreed at a special meeting of the bilateral narcotics working group in June that the ban on opium cultivation would be effectively enforced in the Gadoon, where AID has a major development project, and in the Dir, where the Special Development and Enforcement Project managed by the United Nations is being developed. The Pakistanis also agreed to enforce the ban in those portions of the Bajaur and Mohmand tribal areas where development assistance has been scheduled.

India is increasingly important as a conduit for opium products from both Southwest and Southeast Asia, as well as for the shipment of precursor chemicals into the Golden Triangle.

Turkey continues to sustain one of the most successful efforts at preventing production of illicit opium poppy. Long a natural attraction for smugglers of every stripe because it serves as the landbridge between Asia and Europe, Turkey continues to be a principal trafficking route for heroin from Southwest Asia, some of it refined in Turkish labs.

Pakistan and neighboring nations must also find ways of curbing the flow of opium products out of Afghanistan and suppressing the numerous heroin labs which operate along the Afghan-Pakistan border. Viable approaches have not been found to Iran or to Laos, and reports on increased opium production in the latter are of renewed concern, particularly given success elsewhere in the Golden Triangle.

Conclusion

The general task remains the same as in earlier years: the grower-to-user narcotics chain which stretches across five continents must be broken through a comprehensive program of international control. Pressure must be applied at all points in the chain—through crop control; through increased seizures of both drug products and financial assets; through intensified investigation and prosecution of traffickers; and through effective treatment and prevention of drug abuse.

INTERNATIONAL NARCOTICS CONTROL

Mr. WHITEHEAD. I would like to offer some brief introductory remarks.

As the President's recent statement made clear, let there be no mistake that this administration is fully committed to stopping the flow of illicit narcotics into our country. The danger of narcotics to our society and to the very fabric of our society cannot be a subject of partisan debate. We are grateful for the support this committee has provided for the administration's efforts in the past, and I am confident we can count on your continued support for the future.

International narcotics control is central to the pursuit of our foreign policy objectives. We have and will continue to use every opportunity to convey the message to our friends in the international community on the need for greater effort in controlling narcotics traffic. The President made this an agenda item at the Tokyo Economic Summit.

We have raised it at the United Nations. It is a priority issue in the bilateral talks with President de la Madrid of Mexico this week as it was with Prime Minister Junejo of Pakistan last month.

UNIVERSAL THREAT FROM ILLEGAL DRUG TRAFFIC

The most effective tool we have in this effort is the growing realization among foreign governments that narcotics trafficking is not just an American problem, but a universal threat. The efforts of the First Lady and our high-level attention to this problem are already paying dividends. Countries in which narcotics are produced or which are part of the international trafficking pattern now recognize the unacceptably high risk that narcotics pose to their own societies.

These risks range from increases in violent crime to national security threats by narco-terrorist groups. The international community is finally recognizing the challenge we all face. That is the first and most important step in winning the battle.

Nevertheless, there remains a large and unacceptable gap between perception and effective action. We expect more concrete measures from our friends and are prepared to encourage and support them. The situation remains serious.

U.S. FOREIGN POLICY OBJECTIVES

From the foreign policy perspective, our highest priority is to reduce production. We are moving closer to our objective of having effective eradication programs in all key producing countries. In 1981, only two governments were engaged in eradication programs. By 1985, the list had grown to 14. As a result, marijuana production is today declining in Colombia, Jamaica, and other countries in Latin America and the Caribbean. We expect that trend to continue.

Current Colombian experiments to identify environmentally safe herbicides which can be reproduced on a large scale could provide a new tool for eradicating coca plants. The recent dramatic demonstration of the renewed commitment of the Bolivian government to narcotics con-

trol has resulted in the price of the coca leaf falling to an all-time low. I met with President Paz Estenssoro and his senior officials in La Paz this spring and know directly of their concerns and their need for support.

U.S./MEXICO DRUG PROGRAM

In the meetings this week involving Presidents Reagan and de la Madrid, Secretary of State Shultz and Foreign Minister Sepulveda, and Attorneys General Meese and Garcia, the United States and Mexico have reiterated their unrestricted cooperation and assistance in rejuvenating a control program.

We have emphasized the high priority we attach to reducing the flow of heroin and marijuana from Mexico and the high priority we attach to effective action against those traffickers responsible for the death of DEA agent Camarena.

In September, the United States and Mexico will collaborate in an intensive spraying program of opium poppy in the infamous tristate area. Mexico has agreed to let us bring in six turboflush aircraft and combine them with three of their high-spraying capacity Bell 212 Helicopters in an effort to eliminate 70 percent or more of the fall poppy crop before it is harvested.

We have assisted the Mexicans in improving this program in 1986, including refinements in the spraying process. Together with the verification program, in which DEA agents ride with Mexican officials to confirm fields destroyed, these improvements bode well for restoring the effectiveness of this once heralded program.

However, we have other problems: The level of effectiveness in seizures, arrests and prosecutions has never been as good as in the eradication program. We seek a strong, across-the-board effort at improving enforcement.

ADMINISTRATION REQUEST FOR ANTIDRUG FUNDING

The tools and resources provided by Congress are critical assets supporting our diplomatic efforts. The administration's fiscal year 1987 budget request for $65.4 million for international narcotics control programs includes a substantial increase in funds for eradication. We also have requested more funds for enforcement efforts, supporting crop reduction activities. Seventy-three percent of available funding is dedicated to these very efforts.

We urge the committee to appropriate the full amount. We also have used economic assistance funds administered by AID in direct and indirect support of our narcotic control objectives. In Peru, Bolivia, and Pakistan, for example, the disbursement of development assistance funds are tied to achieving specific narcotic control objectives in target areas.

In Thailand, AID and INM are funding a project in which entire villages must agree to keep farming areas free of poppy. This program is going well with the support of the Thai army's aggressive new eradication program.

Mr. Chairman, we still have a long way to go. I would not minimize the obstacles, but I am heartened by what I believe are clearly positive trends. I believe that our friends recognize the need to eliminate this scourge. They know that we mean business. Continued and increased pressure has to be applied at all points of the chain: through crop control; through increased seizures of both drug products and financial assets; through intensified investigation and prosecution of traffickers, and through effective treatment and prevention of drug abuse.

The administration is committed to work with you and other Members of Congress in support of this effort. We would be pleased now to answer any questions you may have.

Senator KASTEN. Mr. Secretary, does either Ann or Peter want to make a brief statement, or shall we just go forward with questions and then you can participate?

Mr. WHITEHEAD. I think we are prepared to go forward with questions, and we will all field them.

OPERATION ALLIANCE

Senator KASTEN. It was reported in the paper today that the administration will announce today a new interagency effort to be called Operation Alliance which will disrupt the flow of about one-third of the heroin, cocaine, and marijuana entering this country.

Can you give us some details on Operation Alliance, what it is and how it would work? I am referring to the article about the Reagan-de la Madrid meeting and the efforts being made at cooperation on drug trafficking.

Mr. WHITEHEAD. Yes. This program was, is indeed, an important new program. The details will be announced later today. The program was a subject of discussion between the President and President de la Madrid yesterday in the discussions between Secretary of State Shultz and Foreign Minister Selpulveda yesterday and will be the subject of discussion between Attorney General Meese and the Attorney General of Mexico, Mr. Garcia, today.

Let me ask Miss Wrobleski if she could give you details of the program.

Senator KASTEN. You might want to move the microphone over, too.

Miss WROBLESKI. I would say, Mr. Chairman, that the program has been an effort spearheaded through the National Drug Enforcement Policy Board, and it is exactly as the article says: It is a stepped-up enforcement effort along the border with the cooperation of the Drug Enforcement Administration, the Border Patrol, and INS. It will be moving more agents into the area, cross-designating some agents so that Customs agents, for instance, can act with the border patrol and vice versa, and it will also require stepped-up interdiction surveillance.

As I say, the Attorneys General are discussing this this morning, and then the Attorney General and the Vice President of the United States will be making the announcement this afternoon. I will say that it will be coordinated out of the Vice President's office, the National Narcotic

Border and Interdiction System, which you referenced in your opening statement.

ACTIONS BY MEXICAN GOVERNMENT

Senator KASTEN. You have just described all of the things that we are going to do. What are they going to do? This is described as a cooperative effort with the Mexican Government. What are the Mexicans going to do, and more particularly, is there any indication that they are going to be more aggressive in trying to control those northern-most counties which, at least I understand from just basic reading, are no longer in the control of the government in terms of being able to deal with drug trafficking? The drug warlords have simply taken over.

Miss WROBLESKI. The discussions, as I say, are slated to start at 10 this morning between the two Attorneys General. The Mexicans are interested in cooperative efforts, and I can answer you sincerely "yes" on that.

I spoke with the Attorney General of Mexico yesterday, and they are very much interested in a cooperative effort. But I cannot give you details now, since they are currently under discussion as to what the Mexicans will be doing on their side of the border.

STATEMENT OF SENATOR SPECTER

Senator KASTEN. Let me interrupt the questions for just a moment. We had this hearing at the request, frankly, of Senator Specter, who now finds himself in a bind because of the Rehnquist-Scalia hearings in the Judiciary Committee, which he also serves on.

I would like, if I could, then, to yield to the Senator for an opening statement and any questions that he might have, because he is not going to be able to be with us.

Senator Specter.

Senator SPECTER. Thank you, Mr. Chairman. At the outset, I commend and thank you, Mr. Chairman, for scheduling these very important hearings. As you have already said, the Judiciary Committee is meeting at this precise moment on the nominations of Justice Rehnquist and Judge Scalia, and you all know our schedules around here are very complex, and there is a tremendous amount of overlapping. I must be there.

REDUCING U.S. FOREIGN AID TO DRUG-PRODUCING COUNTRIES

I am very much concerned about the flow of drugs to the United States from countries where we are granting foreign aid. My concern is shared by the chairman, by all members of the committee; really by the entire Congress, and I know by the administration fully; and by everybody in this room.

This is an issue that I have addressed myself to for several years now on the record, questioning, and the issue as to the possibility of curtailing or eliminating foreign aid to certain of the countries where drugs are being produced.

I think that question has become more aggravated since this Senator first raised those issues several years ago. We all know the reasons for that. The drug problem in this country has, incredibly, gotten worse. It has been bad for more than two decades, and it is hard to see how it can get worse, but it continues to get worse day by day. It is certainly accentuated in my own State of Pennsylvania and, really, across the country.

The issues that I would like to see developed—and I will return just as soon as I can; I will return just as soon as I am called upon to make my statement in the Judiciary Committee. But the key concern I have is what efforts have these foreign governments made to reduce the production of drugs or to curtail its flow to the United States?

Second, and related: what has the U.S. Government done to press those countries to stop that flow of drugs? Then the question which I think this committee and the Congress has to address is: To what extent we are willing to continue to fund foreign aid to these countries in the context of the drugs which are coming to this country and in the context of what efforts have been made by those foreign governments and by our Government to stop that flow of drugs?

We have overwhelming budgetary problems. We have been working on the issue of how we are going to have a criminal justice system that works and a prison system that works, and that is a matter of overwhelming concern to everyone.

EXPANDING PRISON SPACE

The issue, aside from punitive measures, which, candidly, might be warranted in and of themselves, is whether some of those funds ought to be directed to fighting street crime and drug flow and providing space to incarcerate drug dealers. There isn't space to do so, and judges in this country are not sentencing drug dealers to jail because there isn't space to put them.

This Senator offered amendments several years ago to increase the Federal participation in expanding prison space, and everybody was for it, but everybody voted against it; most people voted against it because of the lack of funds, and that is a factor very much on my mind.

Mr. Chairman, I regret the overlap of scheduling, but I know that that is impossible, and I would come back, as I say, just as soon as I can, but I wanted to make that very brief statement of commendation and regret, and focus you on the areas of my concern so that if you can address them, I would appreciate it. Your responses will be very carefully scrutinized and evaluated by me even when I am not here. So thank you, Mr. Chairman.

Senator KASTEN. Senator, thank you, and we will submit questions for the record, if it turns out the scheduling doesn't accommodate your return while we are still running this hearing. Thank you.

Senator SPECTER. My pleasure, Mr. Chairman.

FOREIGN POLICY ACTIVITIES WITH INDIVIDUAL COUNTRIES

Senator KASTEN. Thank you. Mr. Secretary, let me just follow up with what Senator Specter just said. In the conduct of foreign policy, we have got dealings with individual countries, obviously, and you sit down with different people. I want to get a sense of where, in our priorities in our bilateral relations with these countries, we put this matter of drugs. One particular matter is at the top of our priority list. We find that the country involved is more responsive. Maybe that is, in fact, what has happened in the last 24 hours with Mexico, because they realize that we are serious about it. Therefore, this becomes a point of serious discussion and of serious concern.

So the question I would first ask you is: Is the top priority of this administration with respect to its relation with countries who are responsible for the production of drugs which find their way into this country, is it our desire that these countries do all they can, our specific desire to push them to do all they possibly can to stop that flow of drugs?

I would say that it seems that the drug problem is almost unique in that you can look at a map and everyone knows. You go, "There is Colombia; there is Bolivia; there is Mexico," and it is not as if there is a question about where this is all coming from or what is happening. We know specifically where it is, and now with some of the intelligence methods that we have, we also can pinpoint particular fields, particular processing centers, particular transportation routes. So we know where the problem is.

Are we doing enough to make this the top concern in our bilateral discussions with countries like Mexico, Colombia, Bolivia, and others?

Mr. WHITEHEAD. Senator, I think I can assure you that the administration does, indeed, place the subject of drug control at the very top of its agenda, and that in our relations with each of these countries that produce narcotics which find their way to the United States that the subject is always discussed whenever there are meetings between our two countries.

It should be reassuring to you to know that in yesterday's meeting between the President and the President of Mexico that the subject of narcotics was at the very top of the agenda, both at the top of our agenda and at the top of Mexico's agenda. It was discussed, I think, more than any other single item in the discussions that took place yesterday.

In my own experience, I have never had a discussion in the time that I have been in Washington with any official from any of the drug-producing countries without raising the subject of narcotics control and without asking them to give us a full report on their efforts to control the problem.

So I believe that I could answer your question by saying that it is at the top of the agenda, and we are making a maximum effort to continue to focus the policies of the producing countries in such a way that the problem will be eliminated.

PROVISIONS FOR CUTOFF OF FUNDS TO FOREIGN COUNTRIES

Senator KASTEN. Let me, Mr. Secretary, take the next step. There are provisions which we and others have put into the law, put into the legislation, as well as into the foreign assistance, as well as provisions in the Foreign Assistance Act, which, in effect, trigger a cutoff of funds to countries which receive foreign assistance if those countries don't do certain and varying things with respect to the production of illicit drugs and also the distribution of illicit drugs.

I would refer, and we have just got a couple of them here, but for example, we say, in section 537 here:

> Of the funds made available by this Act for Jamaica and Peru, not more than 50 percent of the funds made available should be obligated unless the President determines and reports to Congress the governments of these countries are sufficiently responsive to U.S. Government concerns on drug control and that the added expenditures of the funds for the country are in the national interest of the United States.

We have got a similar section, more detailed, on Bolivia, and we go through that not up to 50 percent should be allocated, "may not be allocated unless the President certifies that the government of Bolivia has enacted legislation to establish the legal coca requirement . . ." et cetera.

We have got these in different places in the legislation. This is the House bill, which we have right here. They had a section 535, none of the funds appropriated or made available pursuant to this act shall be obligated or expended by Peru or Jamaica unless there they are sufficiently responsive. Interestingly, the administration came to us asking that this section be deleted from the bill. That is one of the others.

My question to you is: Has the administration, has the State Department ever utilized any of these provisions, and have we ever, in fact, stopped assistance to any country based on these provisions? If not, why not?

Mr. WHITEHEAD. The answer to that, Senator, is yes, we have stopped assistance to nations when they have not met the terms of those provisions. Let me first give a statement of general attitude on the question.

I believe that in general no country which produces narcotics that come to the United States should receive any economic aid or assistance from the United States unless that country has a narcotics control program that is at the maximum feasible effort and is fully satisfactory to us.

So that is a statement of general intent. When we put in the specific formula that triggered the nonpayment of aid, I think we must all be very careful as we put in reasonable, sensible triggers and not put in arbitrary bases for determination as to whether aid should continue.

So there would be no difference in our objective, but there might be objections on our part to the specific nature of the triggering mechanism.

I would use the recent situation in Bolivia as an example. Under the law as it exists, as I understand it, we were not able to disburse to Bolivia the full amount of the economic support funds which Congress

appropriated for this year because Bolivia had not eradicated the number of hectares of coca demanded by the law.

Bolivia, however, has embarked on a massive control program, the details of which you are fully familiar with, with the cooperation of the United States, a program which is having excellent results, dramatic results in controlling production, a program that has been widely publicized that involves attacking the effort by attacking the drug laboratories and the drug processing plants rather than destroying the growth of coca leaves, but a program that is very effective.

It seems ironic and wrong that this country, which in the last few months has done maybe more than any other country to step up its eradication program, should have been required by the law to not receive aid that had been appropriated by Congress because it did not meet one of the technical features of the law.

So in summary, we certainly agree with the objective that: A, our economic assistance should be used as a tool to put pressure on source countries so that they will adopt control programs and B, agree in general that no aid should be given to any country unless it adopts adequate control programs, which are satisfactory to the United States and of course are within the capabilities of the countries to implement.

But the actual control mechanisms should be very carefully designed to be sensible and reasonable controls, and we should not deprive countries of our economic aid when those countries have made major efforts, major and successful efforts, to reduce the growth of drugs.

SUSPENSION OF FUNDING

Senator KASTEN. I think that is a very important point, and frankly, I hadn't considered that in the context that you made your answer in. The difficulty, of course, is that all of this activity is on the margin, and we can identify where the huge problem is.

What we are, in effect, saying is if someone takes it, reduces it by 10 percent, we ought not to, but still, 90 percent of the drugs are still coming from there, and it is a balance that we have got to work our way through.

You said that the State Department has, in fact, utilized some of these provisions that are in both the appropriations and the authorization bill and, in fact, has stopped assistance to any country. What countries have you utilized these provisions with, and what assistance has been stopped?

Mr. WHITEHEAD. I will ask Ann to answer that.

Miss WROBLESKI. We stopped assistance, as you may recall, in Bolivia earlier in this decade when the Garcia Meza regime was in power and we had no cooperation on narcotics control. Of course, most recently has been the situation the Secretary referred to, which again was mandated by Congress, and that was the withholding of the second tranche of economic support funds to Bolivia.

Senator KASTEN. We withheld them, and then went forward with them; is that right?

Miss WROBLESKI. I don't understand your question.

Senator KASTEN. We withheld the funds and then they were granted to them anyway, or simply the dollars went to somewhere else? Are those the dollars that went to Haiti instead?

Miss WROBLESKI. Yes, the dollars went to Haiti, yes.

Senator KASTEN. I couldn't remember if they had been withheld or went elsewhere.

Miss WROBLESKI. Yes, sir, they were withheld and went elsewhere.

EXTRADITION TREATIES

Senator KASTEN. Mr. Secretary, are there any major drug-producing countries which have refused to enter into extradition treaties with the United States, and if so, what do you think our response should be with respect to the allocation of foreign assistance to any such countries if they exist? I don't know the answer to that question, and I am just asking.

Mr. WHITEHEAD. Miss Wrobleski.

Miss WROBLESKI. I do know that we have extradition treaties with many source countries; obviously, the most publicized extradition treaty which we have is the treaty with Colombia, which has proven to be very successful, I think, both from our perspective and from theirs.

I don't think I can go on the record country-by-country for you. I would like to supply that for the record. But I will say that I am not aware of any extradition treaties that are in the progress of being negotiated where progress is not seen. I can say that. I am not aware of any trouble spots, I guess is what I am telling you.

Senator KASTEN. I think it would be very significant if a major drug-producing country was, in fact, refusing to enter into an extradition treaty with us and that country was also a significant recipient of U.S. foreign aid. I think that that would put us in a position where we would be able to define a lever, if you would, in a more simple way than the Secretary was referring to when we were talking about a level. I mean, that is a specific issue, and we ought to require extradition treaties with any of the major drug-producing countries almost as a condition of our foreign assistance. Would you agree with that, Miss Wrobleski, either of you?

Miss WROBLESKI. I think that is a good point. I think, again, what you need to look at is the full range of legal alternatives available and that certainly, extradition in some countries has proven to be a way of bringing major narcotics traffickers to trial here in the United States.

I am not sure if in all countries you need an extradition treaty. Maybe in some countries you can effect justice without extradition. But as I said, I would be happy to provide for the record a list of countries.

Senator KASTEN. Thank you, and the committee would be interested in having that information.

Miss WROBLESKI. Thank you. Certainly.

[The information follows:]

TABLE - TREATIES AND CURRENT NARCOTIC AGREEMENTS

STATES	EXTRADITION	1961	1972	1971	†BILATERAL AGREEMENTS
Antigua & Barbuda	X*	X*	X*		
Argentina	X*	X*	X*	X*	X
Bahamas, The	X*	X	X		
Barbados	X*	X	X	X	
Belize	X*	X*	X*		X
Bolivia	X	X	X		X
Brazil	X*	X	X*	X*	X
Chile	X	X	X	X	
Colombia	X*	X	X	X	X
Costa Rica	X	X	X		X
Cuba	X	X		X	X
Dominica	X*	X*	X*		
Dominican Republic	X	X		X	
Ecuador	X*	X	X	X	X
El Salvador	X				
French Guiana (France)	X	X*	X	X	
Grenada	X*	X*		X	
Guatemala	X*	X	X	X	
Guadeloupe (France)	X	X*	X	X	
Guyana	X*	X		X	
Haiti	X	X	X		X
Honduras	X	X	X		
Jamaica	X*	X			X
Martinique (France)	X	X*	X	X	
Mexico	X*	X	X*	X*	X
Netherlands Antilles	X	X			
Nicaragua	X	X		X	
Panama	X	X	X*	X	
Paraguay	X*	X	X	X	X
Peru	X	X	X*	X*	X
St. Christopher & Nevis	X*	X*	X*		
St. Lucia	X*	X	X		
St. Vincent & the Grenadines	X*	X*	X*		
Suriname	X	X*			
Trinidad & Tobago	X*	X	X	X	
Uruguay	X*	X	X	X	
Venezuela	X	X		X	X

*Extradition: Treaties under which extradition for crimes or offenses against narcotic or other drug laws are included.

The following countries may not, pursuant to their internal law, extradite their own citizens: Brazil, Costa Rica, Dominican Republic, Ecuador, El Salvador, Honduras, Nicaragua, Panama, Peru, Venezuela. Mexico presents a special problem. The Government of Mexico has never extradited a Mexican citizen. Its law permits extradition of Mexican citizens only in exceptional circumstances.

*1961 Single Convention, 1972 Protocol, 1971 Psychotropic Convention: Special exceptions or passed with reservations.

†Bilateral agreements are either Memoranda of Understanding or Assistance Agreements currently in effect. Agreements which have expired are not listed.

ACTION WITH BAHAMIAN GOVERNMENT

Senator KASTEN. Senator D'Amato.

Senator D'AMATO. Thank you, Mr. Chairman. It is always good to see my friend, Mr. Whitehead, and I welcome our new Secretary. I don't think there is a more important task facing this Nation than attempting to galvanize all of our resources in this battle, both domestically and on the international level.

Having said that, I would like to know if you could give us an overview of our efforts in this regard with respect to the Bahamas. I will address this to the Assistant Secretary in charge of international drugs. What specifically are you at liberty to reveal? I have occasion to be there, and think many people have. We are so close, it is a wonderful vacation place, and it is absolutely common knowledge that it has become a haven of drug traffickers.

We have some almost window-dressing operations, it would appear, that the Bahamians engage in. Some of the most notorious drug traffickers are operating out of the area with impugnity.

The local taxicab drivers can tell you, as they take you from the airport to wherever you might be staying, "Well, this house up on the hill is the drug king or a certain lawyer, and the House next to him is owned by his sister." I mean huge, magnificent domiciles, seemingly impossible to be acquired through any, what you might say, legal manner.

What are we doing there? I would also like to address the larger question, and then we will go to Mexico. But what about the Bahamas? If we can't handle that situation, how, then, I wonder, are we going to deal with the drug producers and runners as it comes out of Peru and Colombia and even Mexico.

By the way, I don't mean to lay this all at your doorstep; please understand that. That would be totally unfair. The severity of the problem is there. We are kidding ourselves if we don't think that. I am not saying, "Ann, you are responsible," no, no. This is long before you were there.

Miss WROBLESKI. I appreciate that, Senator.

Senator D'AMATO. I just want to get your view of that situation.

THE BAHAMAS

Miss WROBLESKI. It is a very, very tricky situation. As you have said, I think that it is a problem. I have spent some time with the Foreign Minister of the Bahamas, and I know the Vice President, of course, has spent a lot of time with leaders from the Bahamas. They are in a bad geographical situation, if you will.

A lot of the drugs that are trafficked out of South America come through the Bahamas. It is basically a collection of islands, an almost unimaginable coastline. A lot of the islands are uninhabited. It is, as it was for centuries, a perfect place for smugglers, and drug smugglers are no different from the pirates of old.

It is an area that is ripe for the picking, if you will. I think that we have done some things in the Bahamas to try to get a handle on the

problem. One, of course, is the aerostat balloon, which is in the northern Bahamas, which helps us keep an eye on single-engine and double-engine aircraft, commercial aircraft, usually, and also private aircraft that are used for landing strips that populate the Bahamas. I think that has been very effective.

As you know, we have been talking about the possibility of putting another aerostat in the Bahamas, which I think will also help us track those aircraft.

COOPERATION FROM BAHAMIAN GOVERNMENT

Senator D'AMATO. Has the government of Bahamas been cooperative in that effort?

Miss WROBLESKI. I think so, yes, sir. That is my view. The government of the Bahamas also has a growing additional problem in the Bahamas which worries them. You know because of your interest in this problem that, every day, producer nations are becoming more and more consumer nations. That is also true of trafficker nations.

As one of your colleagues likes to say, a little bit of cocaine always falls off the back of the truck, and I think that that has the government of Bahamas attention. So I would say to you, it is a problem, it is one we are watching. We are helping where we can with the priorities, and some inclusion of the police force and the Customs procedures, other procedures. But it is an issue that we need to deal with and to continue to watch.

REQUEST FOR BRIEFINGS

Senator D'AMATO. Mr. Chairman, let me say that there are some things sometimes that, candidly, cannot really be exchanged because we rock the boat and really would not achieve anything.

I believe in rocking the boat, however, if we are going to achieve real, significant progress. I have done things before that call for the resignation of certain people who, at least, in my opinion, are not doing the job. I would like to suggest that we schedule a closed session, or maybe even an informal meeting with our Assistant Secretary in charge of International Narcotics Trafficking, because I strongly suspect that there are some nations whose leaders are not only less than committed to this battle, but also who one would suspect are actually in league with the drug traffickers.

I would hope that we would be able to sit down and go over this matter, nation-by-nation, and have a review with you as to which of those nations are really not cooperating but are just giving us the window dressing. I am not going to ask you to comment on it here publicly, because number one, you would not, and John wouldn't let you. Second, I do think, though, that you could share this information with us so we then can undertake what the State Department may not be in a position to do, and that is to create the kind of public and political pressure and galvanize our forces so that some of these countries, who have been reluctant to do what they should do, would be more cooperative in this effort.

I think we have to turn up the heat. I am not going to mention that there is one person who, in my opinion, is an out-and-out thief. If he is not in league with the drug runners, I don't know who would be. I am not going to mention the name now, but it is no mystery. There is no mystery in some of these areas.

SITUATION IN MEXICO

With respect to Mexico, Mr. Chairman, I feel that our Commissioner of Customs was quite right and very accurate in his description of their links with drug dealers, their out-and-out protection of major drug dealers, than we care to admit for a whole host of reasons.

I think it is important that we begin to develop a get-tough philosophy, and let them understand that we are not just going to simply sit back and allow the situation to continue. The major share of heroin is coming from Mexico—we just came from a briefing with the CIA—and a major share of cocaine is being transited through Mexico, and a major proportion of marijuana is being transited through Mexico. Vast areas in Mexico are totally dominated by the drug traffickers with the cooperation of various local government officials.

I think the American people should be told so that we can galvanize the kind of public policy needed to protect our borders against influx of drugs. I think our policies on our border are disgraceful.

It is absolutely ludicrous to think that a relative handful of INS people are going to be able to deal with the illegal aliens crossing our borders, with so many of them carrying drugs and being used in this area. It is inadequate. I think the only way we can change this unacceptable situation is to galvanize the American public opinion by giving them the facts and then to move from there.

So I share these concerns with you. I say to you, we look forward to working with you in the best way possible, and I would hope that within the not-too-distant future, as soon as possible as your schedule and our schedules permit, we would have an opportunity at the very least to have a candid, frank discussion so that you could share with us some of your successes and some of your frustrations and failures. Let some of us who don't have the constraints that you have, then, undertake appropriate actions to try and mobilize this Nation, both nationally and internationally, in an attempt to deal with this problem.

So good luck to you, and thank you, Mr. Chairman, for giving me the opportunity of sharing these thoughts with our two distinguished witnesses.

SUBMITTED QUESTIONS

Senator KASTEN. Senator, thank you, and thank you for your interest and your activity.

Mr. Secretary, we are going to conclude these hearings. There are a number of questions which we will submit to you for the record. Senator DeConcini has some specific questions, and I know that, as Senator Specter said, he has an interest in this area, as well.

We have a vote occurring on the floor right now, and based on the schedule that has been told to me, we are going to be voting back and forth, and it is going to be a difficult morning. I very much appreciate your efforts and your statements this morning. I think that in particular, I am pleased to be assured that this issue is becoming the number one issue in our bilateral negotiations with these countries.

I think that from the tone of this hearing, I know that you understand that as we begin now to mark up the bill for next year, one of the things that is going to be very much on our minds is this relationship between the country's ability or the country's willingness to go out and tackle their drug problem and our level of foreign assistance in a time when both of us know there simply is not enough money under any circumstances.

The kinds of prohibitions and provisions that have been included in the law in certain cases which the State Department has not agreed to, I would say you are likely to continue, simply because we are going to be trying to push these countries to become more aggressive in their opposition to drug trafficking and drug production.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR KASTEN

EFFECT OF NARCOTICS ON ECONOMIES

Senator Kasten: If we were in fact successful in stamping out drug production in such countries as Bolivia and Colombia, what effect would that have on the overall economy of those countries? I ask that question because there are statements which have been made which suggest that up to half of some economies are dependent on the resources produced by illicit narcotics production.

Mr. Whitehead: There are no accurate estimates of the amounts of money generated in or out-country from the harvesting, refining and sale of narcotics products originating in Bolivia and Colombia. Some Bolivians have estimated that 50-60% of their gross national product is related to cocaine. All of our proposals for narcotics control in Bolivia are tied, one way or another, to other proposals for economic development. Colombia has a stronger economy and does not request economic support funds or development assistance. While several localities may be dependent now on the drug-related income, offsetting this loss has not been a factor in any of our agreements with the Colombians, who have in recent years sustained very aggressive crop eradication campaigns.

CROP SUBSTITUTION

Senator Kasten: One of the programs that both the State Department and AID utilize with respect to this matter is crop substitution. As I am sure you know, there is a great deal of doubt about the utility of such programs, inasmuch as people who grow the illicit crops get paid a great deal more than they would on other crops. Can you point to any successes with respect to crop substitution?

Mr. Whitehead:

We have not utilized crop substitution per se since the 1970s. Instead, the emphasis is upon integrated rural development projects, that can include agricultural initiatives but can also include infrastructure development, rural electrification, road building, job development programs and a host of other income generating activities that are alternatives to trafficking. This approach worked extremely well in Pakistan from 1983 onward, and variations of this different approach are being developed in Peru, Bolivia and Thailand.

VALUE OF SEIZED ASSETS

Senator Kasten: Congressman Barnes, I believe, has suggested that the property which is seized in drug raids be converted to cash and made available for anti-drug programs. First of all, what do you think about that proposal, and secondly, what is the value of such property in a given year?

Mr. Whitehead: We do convert certain assets, like boats and planes, for use by our Federal agencies, or, on occasion, for use by countries with whom we have a narcotics control relationship. DEA recently estimated the value of drug-related seizures it has made at $373 million, and I am told the Customns figure is also in the high nine figures.

LINKS BETWEEN NARCOTICS & TERRORISM

Senator Kasten: Have you detected any connection, and if so, can you expand on what you might be able to in an open hearing, between those involved in illicit drug production and terrorism? In other words, do we have evidence that the so-called drug lords are financing terrorist organizations?

Mr. Whitehead: I am enclosing for the Subcommittee's consideration testimony on this issue given by INM to the Senate anti-drug caucus. There is less of a connection in the sense you probably mean between drug trafficking and the classic terrorist type organizations, e.g., the various Palestinian terrorist groups, or the Sendero Luminoso in Peru. But, there are strong connections between traffickers and certain political insurgent groups, and involvement by many of these groups, as well as old-style warlords, in the narcotics trade. For example, the heroin trade along Burma's border with Thailand and within Burma itself is largely controlled by the Burmese Communist Party, the Shan United Army and others. In Colombia, there are the M-19, the FARC, the ELN and others, who pursue a political radical ideology but increasingly are involved in the drug trade.

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VISIT OF PAKISTANI PRIME MINISTER

Senator Kasten: Recently, the Pakistani Prime Minister was in Washington on an official trip. Was the subject of opium production, which is reported to be increasing in Pakistan, brought up in any meetings with the Prime Minister?

Mr. Whitehead: Narcotics was a central theme of many of the meetings with Prime Minister Junejo, who renewed his country's commitment to solving the production and trafficking problems, and resassured of his good offices with connection to anti-drug measures.

COOPERATION FROM WESTERN COUNTRIES

Senator Kasten: Are we getting any cooperation from other Western countries in combatting this problem? Specifically, do you have any idea of the level of resources other countries are contributing to this fight, if any?

Mr. Whitehead: We are enjoying excellent cooperation. The strength of this mutual commitment was evident at the Economic Summits in Bonn and Tokyo on successive years, at which President Reagan and his colleagues clearly assigned the problem a high political and foreign policy priority. We engage with Western allies on Customs cooperation, on narcotics intelligence and case investigations through DEA, on extradition and money laundering matters through Justice as well as our people at State. In the diplomatic area, we also encourage bilateral and multilateral support for narcotics control programs. We encourage channelling this support through the United Nations Fund for Drug Abuse Control. The Fund has begun projects in support of coca control in South America, thus involving the United Nations and indirectly European donors in a problem which affects Europe as well as the United States. Italy pledged $40 million over five years to implement this project. The Fund has also received pledges from the United Kingdom, United States, Canada, Saudi Arabia, and others for the Special Development and Enforcement Program in Pakistan. The Fund also provides narcotics control assistance in Africa (where U.S. assistance has been limited to Egypt and Morocco, with training programs for Kenya, Nigeria, Senegal and the Ivory Coast). Key donors to source country programs include the Federal Republic of Germany, Saudi Arabia, Sweden and Norway among others.

ADEQUACY OF ANTI-NARCOTIC RESOURCES

Senator Kasten: On at least three occasions, when this Subcommittee considered the budget request of the State Department's narcotics program, I made the point that the amounts requested in relation to the problem seemed to be very small. I think that others have also suggested that this program can hardly make a dent in the problem of drug production overseas so long as the resources remain as they have. What is you view with respect to the adequacy, not necessarily this year, but last year and the year before, of funding provided to the State Department narcotics program?

Mr. Whitehead: At the time I testified in August, the request to your Committee was for an INM budget of $65.4 million. The Department and the White House strongly supported INM getting its full request. In October, however, when the authorizing and appropriating committees completed their work on the anti-drug bill, INM was given a new authorization and budget of $118.4 million. As structured, this new budget did not require other Departmental offsets but represented a major infusion of new funds into the INM program, a critical element not only in our supporting this

expanded request but in our ability to utilize. The Department approved a spending plan for the $53 million in additional funding this represented, and supported that spending plan unanimously. We are equally strong in supporting an INM budget of $98.8 million for 1988, which in part reflects our belief that this program should be about the $100 million level to meet the commitments, and again successfully urged OMB to go forward with the full amount requested.

Questions Submitted by Senator DeConcini

MEXICO DRUG TRAFFICKING PROBLEM

Senator DeConcini: According to Customs Service intelligence reports, the drug trafficking problem along the US-Mexican border is getting much worse. Their data shows that 35% of the heroin threat to this country comes from Mexico; 30% of the marijuana; and 18% of the cocaine is transhipped through Mexico into the United States. An estimated 50,000 pounds of cocaine will be smuggled into the U.S. through Mexico this year, a three-fold increase over last year. What specific program is the International Narcotics Matters office promoting to attack this tremendous drug trafficking problem? Be specific and tell us of any successes. What do your intelligence sources tell you about the level of cooperation by the Mexican government to eradicate opium and marijuana crops in Mexico?

Mr. Whitehead: The Bureau of International Narcotics Matters has an active program to assist the Mexican Government in eradicating opium poppy and marijuana production. In 1986, the Mexican Attorney General's Office (PGR) reported that 2,383 hectares of opium poppy were destroyed by aerial spraying, an increase over the 1985 level of 2,297 hectares. Over ninety percent of both the opium poppy and marijuana claimed destroyed by the PGR has been verified by Operation Vanguard, a joint DEA-Mexican Government project.

Marijuana hectarage destroyed by aerial spraying during 1986 (2,973 hectares) was 71 percent higher than the quantity eradicated for 1985 (1,738 hectares). INM was instrumental in convincing the PGR in early 1986 to reinforce the spraying strategy for the aerial eradication program, fumigating all immature opium poppy and marijuana fields immediately after detection, regardless of the stage of growth, in order to reduce the amount of illicit crops reaching harvest.

MEXICO: OVERFLIGHTS

Senator DeConcini: Mr. Whitehead, one of the suggestions that the Attorney General, me and others have made to the Mexican government is to allow our Customs aircraft to overfly Mexican fields to detect opium and marijuana crop activities. Customs has four P-3 aircraft that could be used and our intelligence agencies undoubtedly have very sophisticated sensor-equipped aircraft that could help map out the problem areas for Mexico officials. They object to this approach and have repeatedly. Would this be an approach that the State Department and the INM people at State would support to help eradicate drugs in Mexico? If not, what other alternatives have you or will you propose?

Mr. Whitehead: We are working with the Mexican Attorney General's Office (PGR) on systematic aerial surveys of opium poppy and marijuana production. In February 1986, INM funded an aerial survey of the critical tri-state growing area of Sinaloa, Chihuahua, and Durango to provide a better estimate of total illicit hectarage. PGR navigators were then trained by U.S. instructors in photo interpretation, and plans were made to systematize these surveys. INM plans to have a follow up survey later this year. In addition, steps are being taken to send an aircraft belonging to the PGR to the United States for conversion to a photographic platform for future aerial surveys to be conducted by the Mexicans.

THE BAHAMAS

Senator DeConcini: Mr. Whitehead, one of my criticisms of the International Narcotics Matters program has been that it does not focus much attention on the drug transhipment countries, like the Bahamas, Belize, the Caicos or Mexico. Your rather small budget is spread primarily over the source countries. The Bahamas -- our No. 1 transshipment problem, gets virtually no money from INM. Yet I have met with the Deputy Prime Minister of the Bahamas, Mrs. McDonald, and other officials and they are willing to enter into tough agreements with us to fight drugs. Why haven't your INM people put more money and effort into attacking the drug problem in transhipment countries? Afterall, your charter allows you to do so.

Mr. Whitehead: Given the magnitude of the interdiction requirements, the United States has pursued an interagency response, using Defense Department, DEA and Coast Guard resources. In 1986 OPBAT (Operation Bahamas, Antigua, Turks and Caicos) accounted for 6751 of the 7276 pounds of cocaine seized in the Bahamas. OPBAT pioneered the use of

U.S. Department of Defense helicopter assets in the international drug war.

Trafficking was temporarily disrupted and diverted by regional interdiction operations, special U.S.-Bahamian joint operations, and the addition of new assets to the four year old U.S.-Bahamian OPBAT activity. For example, a secure helicopter facility at Georgetown in the south-central Bahamas forced traffickers to develop new bases. A temporary ground radar installation at Georgetown, however, was not approved. INM grants to the Bahamas totalled $183,000 for helicopter facilities, RBDF fuel, patrol boat motors, re-fitting of two U.S. Customs-provided confiscated cigarette-type boats and radios. Also, the police completed installation of an intra-island communication network made possible by a 1984 INM grant of $225,000). IMET training brought to 50 the number of RBDF personnel trained at U.S. military installations in two years.

INM has programs in Mexico, Belize, Panama, Colombia, Bolivia, Peru, Ecuador, and Brazil, with new assistance planned for Paraguay and Argentina; other programs in the Americas include Jamaica, the Bahamas, Guatemala and Haiti. INM also has significant programs in Turkey, Pakistan, Burma and Thailand, with smaller assistance packages aiding Egypt, Greece and other transit points.

INM's resources are actually limited when you consider the geographic and activity spans of our programs, which include eradication and interdiction. Indeed some of these countries are of importance only as transit countries. INM's limited available resources have proved most cost effective on crop eradication and interdiction, particularly in areas where other agency assets are not available. We believe that the level of effort in the Bahamas is consistent with both global demands on our programs and the total mix of U.S. resources being applied in the Bahamas.

EXTRADITION TREATY WITH THE BAHAMAS

Senator DeConcini: Mr. Whitehead, when I met with the Deputy Prime Minister of the Bahamas this summer, he told me that his country was prepared to sign a very tough extradition treaty with the United States that would allow for the swift extradition of non-Bahamian smugglers arrested in the Islands and destined for the U.S. with their loads. Yet they tell me that they treaty sat in the State Department for nearly six months gathering dust at a time when they were ready to sign. What is the status of the extradition treaty with the Bahamas and why can't we speed up that process?

Mr. Whitehead: Our negotiating position with the Bahamas throughout has been that we should conclude discussions on a Mutual Legal Assistance Treaty first, and have proceeded on that basis. But, a model for an extradition agreement was offered early on, and the Bahamians have been offering detailed comments, so in that sense negotiations have begun.

INTERFERENCE BY STATE WITH LAW ENFORCEMENT EFFORTS

Senator DeConcini: The reports that I have received regarding State Department assistance to U.S. law enforcement personnel in the Bahamas has been somewhat discouraging. For example, a Customs officer on temporary detail to the Embassy in the Bahamas was extremely successful in developing over 160 drug cases in a reasonably short period of time last year, only to have State disallow his continued intelligence work out of the Embassy. I understand that part of the problem is DEA but that State has been less than cooperative. I also understand that State has been less than accomodating in facilitating Customs law enforcement personnel visits to the Bahamas. Perhaps these reports are exaggerated, but I don't think so. Could you tell me what we need to do for State to do a better job of facilitating our drug enforcement efforts in the Bahamas. Be specific.

Mr. Whitehead: Because of the size of the interagency effort in the Bahamas, there have been some coordination difficulties. These are being addressed. INM is making available a new narcotics officer position to assist the Ambassador and Deputy Chief of Mission with interagency narcotics coordination efforts.

BAHAMAS DRUG INTERDICTION TASK FORCE

Senator DeConcini:

As you know, the Speaker is drafting an omnibus drug enforcement bill in the House with my good friend Glenn English of Oklahoma leading the way. I intend to introduce major drug interdiction legislation that will provide a number of new resources for our drug interdiction agencies. In that bill, I call for the formation of a new US-Bahamian Drug Interdiction Task Froce, jointly operated by Customs and the Bahamian Government, with consultation by State, Coast Guard, Justice and NNBIS. The Ambassador, Mrs. McDonald, strongly supports this approach and recommended to me that Customs, not DEA, work with them in the Task Force. What is your position regarding such a task force and what steps would you take to help it along, if you believe it is a good idea?

Mr. Whitehead: As you know, a good deal of

activity on the Hill was just reaching a climatic point when your hearing was held, and some questions were resolved by the anti-drug bill. Inter alia, the bill authorized creation of the joint task force, but the bill emerged in a different from than you describe. Among other changes, the task force plan is subject to the approval of the Secretary of State, and INM chairs a Bahamas Sub-Committee to coordinate the USG response.

AEROSTAT IN COLOMBIA

Senator DeConcini: Another idea that Congressman English and I have put on the table is to put an aerostat radar balloon in the Guajira section of Colombia -- the area where the most drug shipment activity has taken place. This surveillance asset would then be able to tell the Colombian police and our intelligence sources where, when, and how the drugs are being shipped to the United states by airplane and ship. The Colombian President apparently has told the Commissioner of Customs in a recent visit that he would support such a venture in his country. Is this something that the State Department could explore with the new Colombian President and would you support using INM funds for such a project, if the President of Colombia requested such assistance?

Mr. Whitehead: This is certainly a worthwhile initiative which we could explore with the Colombian Government, but we would have to look carefully into the funding implications. Aerostat balloons are expensive pieces of equipment to purchase and operate and would be beyond the capacity of INM's budget. It is the sort of venture, however, which might be funded through a cooperative interagency effort.

BOLIVIAN OPERATIONS

Senator DeConcini: The US-Bolivian operation this summer, frankly, indicates to this Senator that our other, less dramatic means of dealing with source country drug eradication have not worked. So long as we are asked to provide such large scale assistance to eradicate drugs or drug processing facilities in source or transhipment countries, I believe we should continue to support such operations. What role did State play in the Bolivian operation and what other joint operations can we expect elsewhere this year or in the future? Tell me what you can on the record about some other joint efforts that may not involve the military, or ones that will involve the military, if you can tell me in an open hearing.

Mr. Whitehead: The Department of State played

a facilitative role in coordinating the activites of Operation Blast Furnace. In addition, INM supplemented the coordinated efforts of the joint U.S.-Bolivian forces in laboratory destruction in the Beni area of Bolivia with increased interdiction efforts in the growing and paste-producing area in the Chapare. These efforts resulted in the seizure of over 1000 pounds of paste during that time period.

Another joint operation, ongoing since 1983, is Operation Bahamas and Turks and Caicos (OPBAT), under which the U.S. Army and Air Force provide helicopters to transport the Bahamian police. We are open to consideration of other areas in which such successful joint operations might be mounted, but of course defer to the will of foreign governments as to whether or not participation from the U.S. military is sought. At the present time, no additional "Blast Furnace" type operations are under consideration.

GRAND TURK AIR BASE

Senator DeConcini: There is some pocket of support in the House Armed Services Committee for reopening the old Air Force facility on Grand Turk Island in the Caribbean and using the old base, in part, for drug interdiction aircraft, surveillance aircraft, and perhaps another aerostat radar surveillance system. The people of Grand Turk, I am informed, would be very receptive to this. What, if any plans, does State have to consider such a plan, perhaps, as part of their international narcotics control effort?

Mr. Whitehead: We are very interested in cooperating with the Government of the Turks and Caicos to enhance successful narcotics interdiction, and together are looking at possible sites for expanded facilities.

CONCLUSION OF HEARING

Senator KASTEN. We thank you very much, Mr. Secretary, and we look forward to working with you and with Ann and with Peter. Thank you very much.

This hearing is adjourned.

Mr. WHITEHEAD. Thank you, Mr. Chairman.

[Whereupon, at 11:03 a.m., Thursday, August 14, the hearing was concluded and the subcommittee was recessed, to reconvene at the call of the Chair.]

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